

April 6, 2020

Honorable Chuck Porter, Minister
Department of Municipal Affairs
14th Floor North, Maritime Centre
1505 Barrington Street
P.O. Box 216
Halifax NS B3J 2M4

Dear Minister Porter:

Please consider this letter as our second formal request for additional capital funding for the Parrsboro Wastewater Treatment Plant and Collection System.

We enclose our correspondence dated September 9, 2019 and your email response dated November 21, 2019 for your reference. We request that you reconsider our request based on the following:

Municipal Restructuring Challenges

Municipal restructuring is accompanied by a number of challenges, most of which are managed and resolved at the Municipal level. One of the most important challenges is addressing the concerns from residents; including a loss of community identity, a reduction and loss of governance and administrative representation, being swallowed up by what is perceived as a large, non-responsive, non-sensitive rural Municipality; reductions in funding for local community projects, initiatives, programs and services, less importance being attributed to local history, an eventual loss in maintaining local history, heritage and culture, probable future increase in tax rates and costs, and the list goes on. The shortfall in funding for the Parrsboro project has created a lack of trust and respect between residents and Council.

We are not sure that the Minister and Municipal Affairs staff appreciate these challenges. Some of the real outcomes of Municipal restructuring includes the following:

- Prior to municipal restructuring, Cumberland experienced one of the best performances with the Financial Condition Indices. Post Municipal restructuring, our FCI's tanked, requiring the completion of action plans, negative media and public reaction.

- An unbelievable amount of organization time in redesigning our programs and services, building organization capacity and the difficult decision making in developing annual operating and capital budgets and multi-year capital investment plans.
- Increases in tax rates to fund the costs of programs and services and to continue basic services in the Towns that have dissolved.
- Addressing preliminary budget deficits year after year. We have attempted to address this challenge by developing a Financial Sustainability Strategy.

Municipal / Provincial Relations

The Municipality of Cumberland and the N.S. Department of Municipal Affairs and Housing have always enjoyed nothing short of a professional, ethical, collegial and positive relationship. Council and staff are not prone to either asking for assistance or requesting additional funding except for extenuating circumstances. We believe that the funding shortfall for the Parrsboro Sewer System Project meets the definition of extenuating circumstances.

We are simply requesting the funding that would have been provided had we known the accurate costs. We are sure that the Provincial and Federal Government would have provided the increased funding.

We respectfully remind the Minister that it was Municipal Affairs staff that insisted that we not cancel the project due to the limited availability of the funding program and the timelines on the Federal regulations.

We suggest that the Province itself has benefitted from Municipal restructuring in Cumberland County. The Province has been saving the costs of 3 police officers @ \$100,000 each and 2 MPAL coordinator positions @ \$25,000 each since dissolution, equaling \$350,000 per year. These cost savings could provide the funds to help the Municipality offset the costs of the sewer system project. We further suggest that you review the Letters of Intent between our organizations to see the commitments from the Municipal Affairs to continue these programs.

On a positive note, we are very pleased that the recent media in regards to funding for the Cape Breton Regional Municipality wastewater treatment projects is an indication that the Province will reconsider our request for additional funds. Please note that Cumberland is requesting additional funding only to the extent of funding that would have been provided had we known more accurate project costs.

Municipal Restructuring Success

The Council of the Municipality of the County of Cumberland voted in favor of Municipal restructuring. We did this as we sincerely believed it was in the best interests of Cumberland residents. We believed we could contribute to a positive quality of life of our residents

We have been required to reduce programs and services, our FCI's have worsened, we have had to significantly increase property taxes, our reserve funds have suffered, Parrsboro residents are very upset with us and the controversies have divided our Council. We would not place these results in the positive success measures category.

We continue to believe in Municipal Government. We continue to believe that the Province of N.S. wants and needs success with Municipal restructuring.

On this last point, we respectfully request that the Province provide additional funding for the Parrsboro Sewer System Project.

Sincerely yours,

Allison Gillis
Warden

p.c. MP Lenore Zann
Rennie Bugley, CAO